SUMMARY OF CASH PROFFER ACCEPTANCE- POLICIES AND METHODOLOGIES IN FAUQUIER COUNTY AND SELECTED OTHER JURISDICTIONS
Updated ~~4/22/02~~, ~~5/27/02~~, ~~6/12/02~~, 7/24/02

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County Population February **2000**: **55,139**[1]
County Size: **650** square miles
Average Annual Growth Rate 1990-**1999**: **1.0**%[2]

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## Background on Proffer Legislation

### State Legislation

The Virginia legislature has three separate types of proffer legislation, which apply to differing localities statewide. These categories are summarized below.

1. The first category is commonly referred to as the "old style" proffering (refer to Virginia Code 15.2-2296). This category is wide open to a jurisdiction; anything may be proffered and it applies to very select number of localities: Fairfax County, Loudoun County, Prince William County and Virginia Beach. Under this type of conditional zoning, a developer/applicant may proffer anything to the locality without the requirement that the proffer need arises from the proposed rezoning. An example could be a residential developer proposing to dedicate land and/or construct a commuter parking lot or commuter rail stop along the Dulles Toll Road.

2. The second type of proffer legislation can be referred to as the "high growth" or "middle style" of proffers (refer to Virginia Code 15.2-2298). This enabling legislation is limited to those jurisdictions that had a population growth of ten percent or more from "the next to latest decennial census year," also to certain localities which are located or adjacent to such a locality as defined that section. This code section allows these localities to accept proffers if: " (i) the rezoning itself gives rise to the need for the conditions; (ii) the conditions have a reasonable relation to the rezoning; and (iii) all conditions are in conformity with the comprehensive plan as defined in 15-2-2223."

   These restrictions are important since they limit proffers to impacts arising out of the rezoning application. For example, to accept a cash or land proffer for schools, it must be theoretically shown that the development will need new or additional construction in that area of the county to serve that project, or that school seats will have to shift to another school as a result of the proposed residential rezoning. In addition to the nexus standard, the Virginia Code also requires that the proffer of cash or real estate not be accepted until the project is shown in the jurisdiction's capital improvement program.

[1] 2000 Census, U.S. Census Bureau, updated February 2002
[2] Weldon Cooper Center for Public Service's *Spotlight on Virginia* Vol. 4 No. 1 Jan 2000.

3. The third and final type of proffer is normally referred to as the "new style" proffering (refer to Virginia Code 15.2-2297). This category is the most limited. While it has similarities to the high growth proffering process and requirements, it prohibits cash contributions, mandatory dedication of real or personal property for enumerated uses, construction of off-site improvements or proffers not related to the physical development or operation of the property.

**Fauquier County**

Fauquier County falls under the requirements of the ***high growth proffer*** category, and the criteria outlined in the previous section. The Fauquier County Board of Supervisors enacted changes to the Zoning Ordinance on August 7, 1990 to accept cash proffers from applicants seeking rezoning approvals in accordance with the enabling legislation adopted by the Virginia Assembly on July 1, 1990.

From 1990 to present, the County has accepted $ 281,936 in cash proffers for rezoning applications approved at above "by-right" density. (See Appendix 1.) Fauquier County has typically accepted proffered cash contributions from recent rezoning requests for schools, transportation, and fire & rescue. Cash proffers are accepted only for those units above the "by right" density allowed on a given property.

**General Policy Recommendations**

1. *By-Right Threshold*. Proffers are currently accepted in Fauquier County residential rezoning proposals for only those units exceeding the density, which could be approved "by right" on a given parcel's original zoning classification being requested for change. That change is the nexus of impact, which the proffers are trying to mitigate.

   An example is the Waterfield rezoning application approved in 1998. The properties involved were originally zoned R-1 and could have had $\pm$179 units developed onsite. The rezoning requested 667 residential units, which represented an additional 488 homes not anticipated in the 5-Year CIP planning, the local road network and other facilities. Therefore, the developer voluntarily proffered a variety of off-site road improvements, public facility land dedications and cash contributions for schools and emergency services to mitigate the impact of the additional development. For example, the approved Proffer Statement offered, "for each occupancy permit after issuance of the 179$^{th}$ occupancy permit", a cash contribution for school capital costs of $3,500 for single-family units and $2,500 for townhouse units.

   Here the Waterfield rezoning case emphasizes the timing and when cash contribution proffers are acceptable, using the above the "by-right" density criteria. [3] However, cash proffer contributions could be converted to a per unit cost applicable to all units but based on the contributions for those units above the "by-right" density. For example, if a project has a proposed total of 40 units, and 10 of these are "by-right" units and cash proffers are offered in the amount of $4,000 for the 30 units above the "by-right" density, the actual total amount

[3] Waterfield PRD Rezoning Application Proffers August 31, 1998

could be averaged for the total number of units. Thus, 30 units x $4,000 = $120,000 in total cash proffers offered. $120,000 divided by the total 40 units = $3,000 per unit to be collected prior to issuance of each zoning/occupancy permit.

2. *Maximum Proffer Thresholds*. Staff could annually propose a maximum voluntary proffer to be considered by the Board of Supervisors (BOS), as does Chesterfield County to further insulate Fauquier County from court challenges. For example, the proffer amount in 2002 for Chesterfield County exceeded $10,000; however, that year the established maximum voluntary proffer was $7,800. That topic is discussed in later sections (refer to Appendix 2). Here the main point is the proffer amount can be updated annually to coincide with changes to the existing levels of service and the 5-year CIP, or by a designated date as approved by the BOS.

3. *Other Recommendations*.

   a. Fauquier County should not discount costs by any percentage, since the reason to accept proffers is to mitigate capital costs caused by development above the "by-right" number. However, all applicable credits should be given so that no "double charging" occurs.

   b. Proffers should be based on generalized County costs as a guide, but tailored specifically to each proposed development to ensure that capital costs are generated by the specific project.

   c. In addition to voluntary cash proffered contributions, land and facility dedications also will be accepted for fire and rescue, libraries, neighborhood parks, roads, and other associated public facilities that primarily benefit the proposed community and are recommended within the Comprehensive Plan. Credit may be given for facilities that will benefit residents countywide, as new residents will use the countywide services in addition to the neighborhood services provided by the developer (e.g., a major road-Vint Hill Parkway, a public/community park).

      Credit should be provided only for facilities intended for use of residents outside the development. Facility and/or land value should be established on an assessed value of the land prior to the rezoning and County acceptance of the proffers. This assessed value should be approved by the department responsible for that public facility/service and affected by the proffer. Credit should not be given for amounts above the assessed value.

   d. Cash proffers for residential units should be paid to the County at the time of zoning/building permit issuance. However, specific cash proffers may not be accepted until the capital facilities, associated with the proffer, are contained in the 5-Year CIP. In order to protect Fauquier County's interests from the impacts of inflation, the original proffer amounts also should be tied to the Consumer Price Index (CPI) or the Marshall Swift Building Index, which is the commonly accepted practice. Currently the CPI is utilized.

e. The Comprehensive Plan should identify the general locations and the essential public facilities needed to meet the planned population within the designated Service Districts, and reference adopted guidelines for cash proffers as applicable.

**Methodology**

It is recommended that Fauquier County accept proffers based on the methodology utilizing the existing service levels (ESL method). Chesterfield County in Virginia has successfully employed that method, which is described in a subsequent section titled Options for Fauquier County and in Appendix 2. The assumption is that residents and the Board of Supervisors consider the existing levels of services adequate and to be maintained at that quality level as expanded. The challenge is to agree upon and determine that existing level measure accurately. Where it is impossible to determine that level accurately, staff recommends that Fauquier County accept proffers based on the amount in the 5-year CIP (CIP method) or on the cost to build (CTB method).

These voluntary cash proffers will be accepted in rezoning cases for all units above "by-right" density on a given parcel. The methods here are described in subsequent sections in more detail, meet the intent of the enabling legislation, are relatively easy to calculate, and can demonstrate that the cash proffer contributions accepted are proportionate to the share of the capital facilities actually budgeted and used by the new residents. Credits will be given to applicants to assure that they are not charged twice for applicable debt service ($124 per capita)[4] and for revenue generated by nonlocal tax revenues (Federal and State contributions: 25% or $20.3 million for schools; 6% or $9.1 million for County Government**).** These credits will be subtracted from the total proffer amount that could be accepted.

**Rules**

1. Voluntary cash proffers should be related to the County costs for new capital facilities above densities currently allowed "by right", and only when the need for the proffer arises out of identifiable impacts generated by the rezoning application itself. The proffer must have a reasonable relationship to the proposed rezoning.

2. Tax revenue derived from residential growth is not assumed to pay for all of the normal governmental operating costs needed to serve the new residents from the proposed residential project. Note that operating costs cannot be captured through the rezoning process due to the lack of enabling legislation (Dillon Rule).

3. Cash proffers will not be used to raise existing public facilities to established standards for existing residents, but to provide capital facilities for new residents resulting from densities higher than "by right" densities. Therefore, only those items in the CIP that will result in added capacity will be included in the establishment of "maximum cash proffers" to be accepted. For example, cash proffers will not be used to build permanent classrooms to replace trailers in use, unless building permanent classrooms adds to the schools' capacity for additional students.

[4] From Bryan Tippie, Budget Office and Mark Cornwell, Fauquier County Schools

4. Countywide costs are assumed to be generally accurate as a starting point for any given development and an assessment of its capital cost ramifications to the County. However, each specific site must be scrutinized for differences that are unique to that planning area. Unique factors may be reviewed for specific projects as needed or as designated by the Board of Supervisors. For example, there may be a need for more school, fire & rescue or parks capacity in some areas of the County, whereas in other areas there may be excess capacity for a given capital facility. Proffer policy should be flexible enough to consider unique requirements in specific service districts.

5. Average household generation rates are used for this document and may be further delineated by type of unit, until better information is available from the 2010 Census. Generation rates may be calculated by type for schools because different student generation rates can be expected for Single Family Detached, (SFD), Single Family Attached (SFA) and Multifamily (MF) units. Since the overwhelming majority of homes in Fauquier County are SFD, this breakdown by residential category is not needed or assumed to be a major factor at this point. However, if an application containing a significant number of proposed Single Family Attached (SFA) or Multifamily (MF) units is received, generation rates applicable to each unit type may need to be calculated.

6. Student generation rates are assumed to be for the life of a project, not on initial, "new neighborhood" rates. A project may have relatively higher student generation rates than older neighborhoods, but should average out over time to coincide with countywide rates. For instance, a new subdivision may start out initially with two or three children per household, but over twenty years will average out to one or fewer children per household.

**Available Options Analyzed**

Other jurisdictions have enacted ways to mitigate capital facilities impacts of a proposed rezoning application by accepting combinations of land dedications, actual construction and differing amounts of cash proffers as shown in the previous sections of this report. The Department of Community Development reviewed the methodologies used by the Counties of Chesterfield, Loudoun, Prince William and Stafford, as well as the City of Chesapeake. All established approaches are successful and were designed pursuant to the applicable proffer limitations established in the Virginia Code for their jurisdiction. Summaries of their individual methodologies are contained in Appendices 2 and 3. The technique Fauquier County has used historically is demonstrated in Appendix 4.

Grounded on these referenced methodologies, the County staff has developed several options to determine what these public facility costs actually are within our jurisdiction. Since Fauquier County does not have adopted level of service standards, a reasonable approach could base projected costs on the 5-year Capital Improvement Program (CIP) as Stafford County does, or on an existing level of service as does Chesterfield County.

In sum, the following analyzed options all provide the requisite building blocks needed to determine capital costs for all facilities: 1) The Capital Improvement Program (CIP)

Methodology; 2) Existing Service Levels Methodology (ELS); 3) Cost to Build Methodology, similar to the existing Fauquier County policy shown for schools (CTB); and the 4) Level of Service Cutoffs Methodology (LOSAX).

Preferred Options

**1. Capital Improvement Program Average Methodology (CIP):**

Schools

Providing adequate funding for the education of Fauquier County's children is the most important and expensive service that the County provides. A great deal of planning goes into ensuring that Fauquier County is able to continue to provide quality education not only for its current student population, but also for the students who will move into the community during the near and intermediate future. Current projections show that additional capacity is needed within the next several years at the elementary and middle school levels and that more capacity will be needed at the high school level in the 2007 time frame. Funds in the amount of $18,194,560 million for elementary and middle schools are included in the current 5-year Capital Improvements Program (CIP FY **2003-2007**), while a high school, with a projected construction cost of over $43.7 million and $6.5 million in annual operation costs, is projected to be included in the CIP in subsequent years.

**CIP Methodology:** The formula for computing the amount of cash that developers may proffer for schools follows. Fauquier County currently will accept voluntary proffers for only those units approved above the by-right density and the need for which arise out of the development. Deductions/credits will be given for land and other associated dedications, which are identified within the Comprehensive Plan.

- Student seat amount = (amount budgeted in the 5-year CIP for schools) / (the number of students in the Fauquier County Public School system)
- Student seat amount = $19,481,560 / 9676 students = $2,013 per student

- Per unit amount = (student seat amount for capital costs) x (student generation rate)
- Per unit amount = $2,013 x .75[5] = $1,510 per unit.

Parks & Recreation

The inventory of available park and recreation facilities in Fauquier County is considerable and unique, yet still lacking in key areas such as ball fields and tennis courts according to national standards. Acceptance of cash proffers is one way to fund capital facilities so these levels do not continue to fall further below national standards when more residential units are allowed.

[5] student generation rate of .75 (single family detached) from Mark Cornwell at Fauquier County Public Schools

CIP Methodology: The formula for computing the amount of cash developers may proffer for Parks & Recreation follows. Fauquier County will accept proffers for only those units approved that are above the by-right density and the need for which arises out of the development.

- Per unit amount to be accepted for cash proffer = [(amount in the 5-year CIP for capital costs) / (# of existing residents)] x (average demand generator per type of unit)
- Demand generator = average number of persons in a particular type of unit.
- Current # of residents is approximately **55,139**.
- $2,925,082 / **55,139** residents = $54 per resident. $54 x **2.75**[6] = $149 per unit.

***The only items currently in the CIP for Parks and Recreation are the pools at the Central and Southern sites. There are three properties to be acquired for sports complexes and limited community park development: one each in the northern, central and southern parts of the County. The northern site is estimated at approximately $13 million, the central is still in the early phases but has been estimated at approximately $10 million, and the southern (which is to be the largest) has not yet been purchased, making it difficult to estimate at this time.***

Libraries

Fauquier County has several good library facilities including the main branch in Warrenton, the John Barton Payne branch in Warrenton, the John Marshall branch in Marshall and the Bealeton branch. However, library space in Fauquier County generally falls below the State guidelines.

- Per unit amount to be accepted for cash proffer = [(amount in the 5-year CIP for capital costs) / (# of existing residents)] x (average demand generator per type of unit)
- Demand generator = average number of persons in a particular type of unit.
- Current # of residents is approximately **55,139**.
- $6,118,917 / **55,139** residents = $111 per resident. $ x **2.75** = $306 per unit.

*$5,800,000 is the figure for the New Baltimore branch + $318,917 for the Bealeton branch*

Fire & Rescue

Fire & rescue service in Fauquier County is a mixture of paid and volunteer staff, with the facilities owned by the volunteer companies. Many of the existing facilities and equipment are in need of replacement or purchase to extend capacity, and many of the volunteers do not have a place to congregate, cook, eat or sleep while on duty. Money to build the facilities and purchase equipment has typically come from fundraising by the volunteers. Therefore, little money has been included in the CIP to date for fire & rescue facilities or equipment.

- Per unit amount to be accepted for cash proffer = [(amount in the 5-year CIP for capital costs) / (# of existing residents)] x (average demand generator per type of unit)
- Demand generator = average number of persons in a particular type of unit.
- Current # of residents is approximately **55,139**.

[6] U.S. **2000** Census Fauquier County persons per household.

- $714,000 (radios)+ $700,934 (computer aided dispatch) = $1,414,934 / **55,139** residents = $26 per resident. $26 x **2.75** = $72 per unit. This number for radios and computer aided dispatch is also to be utilized by the Sheriff's Office, and thus must be divided between the two departments. $72 per unit divided by 2 = $36 per unit for fire & rescue and the office of the Sheriff.

*There is nothing in the CIP for Fire and Rescue.*

Sheriff

The Sheriff is responsible for the majority of law enforcement services in the **650** square miles of Fauquier County and oversees 104 deputies. Law enforcement services programs provided include: the Adult Detention Center; Animal Control; Auxiliary Deputy Program; Civil Process; Community Services; Court Security; Crime Analysis; Criminal Investigations; Drug Task Force; Emergency Response Team; Explorer Program; and Patrol Operations. Costs for the Sheriff do not necessarily rise with each additional resident, but generally another officer should be added for each 1,500 additional persons.

- Per unit amount to be accepted for cash proffer = $36 per unit as outlined above under the Fire & Rescue category + $1,808,063 (vehicles)+ $145,000 (Southern substation)+ $13,704 (Detention Center office space)
- $1,966,767 / **55,139** = $36 per resident x **2.75** = $99 per unit. $36 + $99 = $135 per unit.

Transportation (may include bike and walking trails)

VDOT has a 6 Year Plan and for the secondary road system **$16,067,974** is allocated for Fauquier County in the next six years. $16,067,974 / **55,139** = $**292** per person or $**292** x **2.75** = $**803** per unit. These contributions to the County for specific improvements would need to be transmitted to VDOT for actual construction projects. **An actual list of projects included in VDOT's 6 Year Plan along with the dollars allocated to each project is included as Appendix 7.**

There is currently no money allocated in the 5-year CIP for transportation projects.

Environmental Services

CIP Methodology: The formula for computing the amount of cash developers may proffer for Landfill follows. Fauquier County will accept proffers for only those units approved above the by-right density and will credit developers for State funding or grant monies received.

- Per unit amount to be accepted for cash proffer = [(amount in the 5-year CIP for capital costs) / (# of existing residents)] x (average demand generator per type of unit)
- Demand generator = average number of persons in a particular type of unit.
- Current # of residents is approximately **55,139**. There is no money in the CIP to date.
- $ 0 / 55,139 residents = $ 0 per resident. $0 x **2.75** = $0 per unit.

## 2. Existing Level of Service Methodology (ELS):

Note that this methodology is based on the principle that the existing levels of service for emergency services, libraries, parks and recreation, schools and other public facilities are at acceptable. Any expansions or new construction to meet growth must be provided at the same levels of service and quality.

- Credits: Credits will be subtracted from the totals found in Table 1 on page 14.

- Calculations are done based on current value of capital facilities, which translates to an existing level of service.

Schools

- Cost per student total replacement cost for all capital expenditures divided by the number of students and then multiplied by the student generation rate. This is calculated as an average per student.
- Students per household (student generation rate): 0.75. The cost per household is impacted significantly by the student generation rate, which needs to be reviewed and updated. Tables 1A and 1B demonstrate the difference in costs per household when the student generation rate is varied from 0.75 to 0.56 and 0.65.

COSTS:

- 1,598,123 square feet total for schools.
- Total acreage is 509.3863 acres.
- 9,676 students = 166 square feet per student + .0526 acres per student
- The 2001-02 replacement cost value of school buildings, contents, equipment, computers and vehicles for schools is $187,966,784.[7] The land value of schools property is 16,555,000.[8] Thus, $187,966,784 + $16,555,000 = $204,521,784 / 9,676 students = $21,137 per student. $21,137 x .75 = $15,853 per unit. This total per unit cost is then multiplied by 0.75, which represents the local share of school costs, federal and state grants and non-local tax revenues are deducted, (0.75 x $15,853) = $11,890

Parks & Recreation

- Gross cost = replacement cost for all capital expenditures divided by the number of residents and then multiplied by the household generation rate for per unit amount;
- Net cost per unit = gross cost per unit – credits per unit;
- $15,511,508* / **55,139** = $282 per person x **2.75** = $776 per unit.

*This figure is underestimated due to the lack of an accurate assessment on the worth of all parks

[7] Information provided by Sheila Farmer, Risk Management
[8] Commissioner of Revenue Office

facilities and their associated improvements. Many of the improvements and their value are cumulative and difficult to determine without an actual inventory. The complicating factor in determining value of the parks system is that Parks & Recreation has developed a great many partnerships with schools, the Town of Warrenton and other private entities to develop baseball, soccer and other fields. Typically, the land is provided by these other entities and the improvements are provided by Fauquier County Parks & Recreation. This significant value is not captured on any County inventory. Also, many of the older buildings which are still in good and usable condition could not be replaced for anywhere near their assessed value. In order to be able to use the existing level of service method for parks, it is recommended that money be allocated for an assessment of the value of the County's existing parks system.

*In addition, the value of the land for local parks does not include the two new sites in the northern and central portions of Fauquier County which value approximately $23,000,000. These two parks are still primarily in the planning stage.*

Library

- Gross cost = replacement cost for all capital facilities divided by the number of residents and multiplied by a household generation rate. $6,447,491 / **55,139** = $117 x **2.75** = $322 per unit.

- Net cost per unit = gross cost per unit – credits per unit

Fire & Rescue

- Gross cost = replacement cost for all capital expenditures divided by the number of residents and multiplied by the household generation rate.

- $29,043,927 / **55,139** = $527 per person x **2.75** = $1,450 per unit.

- Net cost per unit = gross cost per unit – credits per unit.

Sheriff

- Gross cost = replacement cost for all capital expenditures divided by the number of residents and multiplied by a household generation rate.
- $8,440,974 / **55,139** = $153 per person x **2.75** = $421 per unit.
- Credits = amount of grant monies or State funding.

Transportation (may include alternative modes like biking and walking)

(Number of lane miles per capita) + (equipment cost per capita)

The ELS method is not considered possible to utilize according to VDOT because improvements are based on traffic generation rates rather than generation rates per capita. Another complicating factor is due to a large percentage of the traffic being classified as through traffic and is therefore not all generated by new development in Fauquier County. VDOT does generally consider each additional unit to generate approximately ten additional trips per day.

Fauquier County may wish to consider developing an approach similar to Prince William County's Level of Service policy. This jurisdiction requires that the number of lane miles needed by a certain date (e.g., Prince William uses the year 2020) to maintain a certain level of service ("D"). Fauquier County would most likely want to use Level of Service "C" due to our more rural nature, and would be utilized on a per project basis.

Environmental Services (Landfill)
Fauquier County residents have access to six clean and convenient areas to dispose of trash and generate five pounds of trash per day on average. The average household produces approximately fourteen pounds per day. (5 x **2.75** = 13.75)

- Ex service levels = (value of landfill space 122 acres total) + (equipment value + vehicle value) = replacement cost for all capital expenditures / the number of residents and multiplied by a household generation rate. $3,766,334 / **55,139** = $69 per person x **2.75** = $190 per unit.

- Net cost per unit = gross cost per unit – credits per unit.

**3. Cost to Build Methodology (CTB)**:

Credits: Credits will be subtracted from the totals found in Table 1 on page 13; for example:

- Local / non-local credit for State/Federal grants are deducted from the cost totals in Table 1.
- Debt service credit to ensure that new residents do not pay twice for capital improvements.

Schools

This is very similar to the policy currently in effect for schools with the exception that costs are subtracted only for debt service and any State monies granted for capital facilities.

1. Capital cost of a new school seat is determined based on the estimated cost of constructing a new school seat and dividing by capacity.

    - Elementary = $7,500,000 for 550 students = $13,637 per student.
    - Middle = $18,200,000 for 600 students = $30,333 per student.
    - Secondary = $43,600,000 for 1,500 students = $29,067 per student.

- Elementary = 52% of total enrollment = $7,092 weighted average.
- Middle = 22% of total enrollment = $6,674 weighted average.
- Secondary = 26% of total enrollment = $7,558 weighted average.

- Total Weighted Average = $21,324 per student seat capital cost

2. Number of school-aged children per unit is determined using school administration estimates and Loudoun County figures. This is called the student generation rate and is currently .75

3. Cost per dwelling unit for school seats is calculated by multiplying cost per seat by number of children expected per dwelling unit. For example, $21,324 x .75 = $15,993 per dwelling unit.

4. Costs are subtracted for debt service, grant monies and State funding.

    - Amount of proffer = {(total average cost per student) x [(# of dwelling units by type) x (student generation rate for type of unit)] – credits for State funding, grant monies, debt service}.
    - Debt service for schools = $7,110,797 divided by 9,676 students = $735 per student debt service ($735 x .75 debt service) = $552 per unit. $15,993 - $735 = $15,258 per unit.

<u>Parks & Recreation</u>

Cost to build a new park is based on $4,300,000 construction costs for Franklin Park in Loudoun County. Fauquier has not built a new park with facilities in a long time and thus the Loudoun system was utilized for estimated construction costs. Land values are a conservative estimate based on Fauquier values at $5,000 per acre for a 200 acre park. Franklin Park is 200 acres and serves approximately 40,000 people = $1,000,000 for land plus $4,300,000 for facilities = $5,300,000 / 40,000 people = $133 per capita and $384 per unit.

Franklin Park includes a baseball complex, an irrigation lake, two football fields, two soccer fields, a swimming pool, two pavilions, a horticulture garden and parking for 600 people. This example be the model until the County has final construction costs and as-built information with the completion of the sports fields and recreational facilities at the Marshall Park.

<u>Libraries</u>

Cost to build new seats is based on the proposed New Baltimore Branch in the CIP. Capital costs for the branch are: $5,800,000 and the population of that library service district is projected to be approximately 14,999 in 2005. This equates to $387 per capita ($5,800,000 divided by 14,999) and $1,064 per residential unit. ($387 x 2.75 = $1,064).

Fire & Rescue

Cost to build a new station is based on recent estimates of the cost to build a new public safety station in Bealeton. Land and site preparation is expected to cost $750,000 and the building is expected to cost approximately $1,600,000. Bealeton currently has an estimated number of units of 900. $2,350,000 divided by 900 = $2612 per unit.

Sheriff

Cost to build a new substation for Bealeton is $600,000. This substation will serve approximately 839 homes in the Bealeton service district. $600,000 divided by 900 = $667 per unit.

Environmental Services (Landfill)

Cost to build new convenience site for Marshall is $160,000 for land + $135,514 for equipment and labor. This will serve approximately 467 homes (within the service district). This equates to $295,514 divided by 467 = $633 per residential unit.

*Plans to build a new cell have not been included in these figures. Environmental Services plans to build a new cell valued at approximately $1,500,000 in July 2003. A new cell is required every three years.*

**4) Level of Service Cutoff Methodology (LCOM)**

Faced with mounting growth and associated costs for new schools and roads, the City Council in Chesapeake, Virginia approved a policy that no new rezoning applications will be approved if capacity is not available for any of the capital facilities, with schools and roads the major considerations. Even though the City of Chesapeake had received over $400,000 in cash proffers under their former policy, the money was not sufficient to build even a small portion of one school. The growth rate in the City of Chesapeake, since adopting this policy, has slowed considerably, and funding for adequate facilities has begun to catch up with demand as the City is able to better absorb new residents.

Note that Chesapeake operates under the Virginia Code enabling legislation for its city status and zoning powers,, but this option has complications. Determinations of excess capacity, moderate capacity and no capacity could be a part of a reasoned approach to approve or not approve a rezoning based on whether the County has or does not have the ability to accept more residents, and thus more schoolchildren. This approach would require adopting standards for levels of service for schools and roads, including the number of available school seats and roads capacity. ***However, the weakness of this methodology is that local governments currently do not have any Virginia Code provisions, which allow rezoning application denial based on the availability of adequate public facilities.***

The following chart depicts the amounts derived for each facility by method. Backup information is contained in Appendix 5.

**TABLE 1** FAUQUIER COUNTY PROFFER METHODOLOGY OPTIONS

| FACILITY | CIP*per unit | ELS**per unit | CTB***per unit | LOSAX**** |
|---|---|---|---|---|
| SCHOOLS | $1,510 | $11,890 | $11,444 | poss. applicable |
| PARKS & REC^^ | $149 | $730 | $361 | not applicable |
| LIBRARIES | $306 | $303 | $1,001 | not applicable |
| FIRE & RESCUE | $36 | $1,363 | $2,456 | not applicable |
| SHERIFF | $135 | $389 | $627 | not applicable |
| TRANSPORTATION^ | $803 | not applicable | not applicable | poss. applicable |
| ENV SERVICES LANDFILL | $0 | $179 | $596 | not applicable |

| | | | |
|---|---|---|---|
| Totals | $ 2,939.00 | $14,854 | $16,485 |
| Credit: Debt Service | ($124) | ($124) | ($124) |
| Credit: Nonlocal tax> | $0 | $0 | $0 |
| Adjusted Total | $ 2,815.00 | $14,730 | $16,361 |

*Based on CIP methodology
**Based on Existing Level of Service methodology
***Based on Cost To Build methodology used for school proffers
****Based on a policy to deny applications if levels of service are not met
^ CIP method based on VDOT 6 yr plan for secondary roads.
^^Parks CTB based on Loudoun County Franklin Park
last update: 8/31/99
>School cost multiplied times 0.75%, which represents the local government share and 0.94 for other public facilities only for the ELS and CTB columns. This calculation results in the deduction for state and federal contributions.

The following and aforementioned Appendices are not included as part of this electronic agenda report. The information can be reviewed upon request in the Department of Community Development as part of the overall report.

Appendix 1 – Cash Proffer Report
Appendix 2 – Summaries of other Jurisdictions
Appendix 3 – Unit prices for other Jurisdictions
Appendix 4 – Existing Methodology method of School Cost Allocations in Fauquier County
Appendix 5 – Existing Level of Service backup material
Appendix 6 – Comparison of Fauquier County Student Generation Rate with Loudoun, Chesterfield and Chesapeake
Appendix 7 – Virginia Department of Transportation's Fauquier County 2002-2004 Budget